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LISTING STATEMENT No. 2229

LISTED MARCH 11th, 1966
6,000,000 shares of \$1.00 par value
Ticker abbreviation "CFX"
Dial ticker number 1163
Post section 4.1

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

CAN-FER MINES LIMITED

Incorporated under Part IV of the Corporations Act
1953 (Ontario) by Letters Patent dated the 19th day
of August, 1957

1. Address of the Company's Head Office and of any other offices:

Suite 100, 12 Richmond Street East, Toronto, Ontario.

Suite 1407, 100 Adelaide Street West, Toronto, Ontario.

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
Chairman of the Board	Paul Porzelt	Westwood Farm, Sharon, Connecticut, U.S.A.	Stock Broker
President	Cecil Albert Burns	23 Tanager Avenue, Toronto 17, Ontario.	Consulting Geologist
Secretary-Treasurer	Willard Meredith Gordon	346 Riverview Drive, Toronto 12, Ontario.	One of Her Majesty's Counsel

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
Leonard Woods Bughman	"Crosshills", R.D.2, Ligonier, Penna.	Corporation Executive
Cecil Albert Burns	23 Tanager Ave., Toronto 17, Ont.	Consulting Geologist
Willard Meredith Gordon	346 Riverview Dr., Toronto 12, Ont.	One of Her Majesty's Counsel
Robert John Isaacs	419 The Kingsway, Islington, Ont.	Mining Engineer
John Leisenring Kemmerer, Jr.	30 Stewart Rd., Short Hills, N.J.	Corporation Executive
Paul Porzelt	Westwood Farm, Sharon, Connecticut.	Stock Broker
Malcolm Dumaresq Richardson	Foxley Green, Aurora, Ont.	Insurance Executive

4. Names and addresses of all transfer agents:

Sterling Trusts Corporation, 372 Bay Street, Toronto 1, Ontario.

5. Particulars of any fee charged upon transfer other than customary government taxes:

50¢ per share certificate issued on any transfer of shares of the Company.

6. Names and addresses of all registrars:

Sterling Trusts Corporation, 372 Bay Street, Toronto 1, Ontario.

7. Amount of authorized capital: \$6,000,000.00.

8. Number of shares and par value: 6,000,000 common shares par value \$1.00 each.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

DATE	NUMBER OF SHARES	Brief description of the properties or other assets and the aggregate consideration therefor, expressed in cash, shares, etc.
August 20, 1957	960,000	Company acquired 96 claims in North Onaman Group for total consideration of 960,000 shares valued at 10¢ a share. 72 of such claims are no longer held by the Company.
April 26, 1958	20,000	Company acquired 31 claims in Smestad Minoletti Group for total consideration of \$17,000.00 in cash and 20,000 shares of the Company valued at \$1.00 per share for 24 of these claims. The remaining 7 claims comprising this Group were acquired by the Company by staking at no cost to the Company.
September 12, 1958	25,000	Company acquired 49 claims in Gustafson Group. 40 claims in the Group were acquired for a total consideration of \$20,000.00 in cash and 25,000 shares valued at 90¢ a share. Of these 40 claims one claim was cancelled and restaked by the Company. The remaining 9 claims in the Group were acquired by staking at no cost to the Company.
Total	1,005,000	

10. Full details of all shares sold for cash.

DATE	NO. OF SHARES	PRICE PER SHARE	AMOUNT REALIZED BY COMPANY
1957	5	\$1.00	\$ 5.00
1958	500,000	.10	50,000.00
1958	160,000	.15	24,000.00
1958	200,000	.40	80,000.00
1958	100,000	.45	45,000.00
1959	100,000	.51½	51,500.00
1959	25,000	.52½	13,125.00
1959	75,000	.60	45,000.00
1959	100,000	.90	90,000.00
1959-1960	200,000	1.15	230,000.00
1960	300,000	1.25 (U.S.)	375,000.00 (U.S.)
1961-1962	12,000	1.25 (U.S.)	15,000.00 (U.S.)
1962	63,000	1.15	72,450.00
1963	24,999	in settlement of promissory note	7,500.00
1963	100,000	.25	25,000.00
1963	24,590	.25	6,148.00
1964	160,000	.30	48,000.00
1964	18,000	.35	6,300.00
1964	140,000	.50	70,000.00
1964	16,666	settlement of notes payable	5,000.00
1965	100,000	.35	35,000.00
Total	2,429,260		\$1,295,028.00

A commission of \$66,000.00 U.S. funds was paid by the Company in respect to the sale of 300,000 shares at \$1.25 U.S. funds above referred to.

11. Total number of shares issued:

3,434,260

12. Number of shares now in treasury or otherwise unissued.

2,565,740

13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.

Nil

14. Date of last annual meeting.

February 15, 1966

15. Date of last report to shareholders.

January 18, 1966

16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.

By agreement dated May 11, 1965, C. A. Burns was granted options on 50,000 shares at a price of \$1.25 a share. No shares have been taken up and the option remaining outstanding is:

50,000 shares at \$1.25 a share until May 11, 1968, or until the later expiry of any renewal of the agreement.

and by further agreement dated February 23, 1966, the option aforesaid is non-assignable and is exercisable only while C. A. Burns is an officer of the Company.

17. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or other securities or assignments, present or proposed.

C. A. Burns has option on 50,000 shares at \$1.25 a share until May 11, 1968, or until the later expiry of any renewal of the agreement. The said option is non-assignable and exercisable only while C. A. Burns is an officer of the Company.

18. Details of any payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Under Agreement dated May 11, 1965, and running for a term of three years, C. A. Burns, President & General Manager—Exploration and Development, is to be paid an undivided non-assessable 10% interest in any mining property or interest therein acquired by the Company at his instigation or as a result of the Company's exploration program and an undivided non-assessable 5% interest in any mining property acquired by the Company.										
19. Details of any shares pooled, deposited in escrow, non-transferable or held under any voting trust agreement, syndicate agreement or control.	Nil										
20. Names and addresses of owners of more than a 5% interest in pooled or escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable										
21. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>H. L. Isaacs, 39 White Oak Blvd., Toronto 18, Ontario.</td><td>313,550</td></tr> <tr> <td>Bay & Co. * c/o Securities Dept., Canadian Imperial Bank of Commerce, 51 King Street West, Toronto 1, Ontario.</td><td>233,562</td></tr> <tr> <td>Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.</td><td>214,230</td></tr> <tr> <td>Mr. Rudolph H. Deetjen, c/o Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.</td><td>127,945</td></tr> <tr> <td>Old Dominion Development Co., c/o J. L. Kemmerer, Jr., 120 Broadway, New York 5, N.Y., U.S.A.</td><td>150,000</td></tr> </table> <p>* Bay & Co. are nominees of the above shares.</p> <p>The said shareholders are as at the termination of business January 17, 1966,—none of the said shareholdings are pooled or escrowed.</p>	H. L. Isaacs, 39 White Oak Blvd., Toronto 18, Ontario.	313,550	Bay & Co. * c/o Securities Dept., Canadian Imperial Bank of Commerce, 51 King Street West, Toronto 1, Ontario.	233,562	Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.	214,230	Mr. Rudolph H. Deetjen, c/o Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.	127,945	Old Dominion Development Co., c/o J. L. Kemmerer, Jr., 120 Broadway, New York 5, N.Y., U.S.A.	150,000
H. L. Isaacs, 39 White Oak Blvd., Toronto 18, Ontario.	313,550										
Bay & Co. * c/o Securities Dept., Canadian Imperial Bank of Commerce, 51 King Street West, Toronto 1, Ontario.	233,562										
Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.	214,230										
Mr. Rudolph H. Deetjen, c/o Emanuel Deetjen & Co., 120 Broadway, New York 5, N.Y., U.S.A.	127,945										
Old Dominion Development Co., c/o J. L. Kemmerer, Jr., 120 Broadway, New York 5, N.Y., U.S.A.	150,000										
22. Names and addresses of persons whose shareholdings are large enough to materially affect control of the Company.	There is no person whose shareholding is large enough to materially affect control of the Company. The Directors of the Company from time to time by solicitation of proxies from the shareholders, including those enumerated in No. 21 above, may be in a position to materially affect control of the Company.										
23. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.	The shares in the capital stock of the applicant had been qualified for public sale through filing with the Ontario Securities Commission, Quebec Securities Commission and the Securities and Exchange Commission, Washington, D.C., under the relevant statutes with respect thereto.										
24. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled, suspended or revoked? If so, give particulars.	No										
25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil										
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Nil										

27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field:

(a) Properties owned where titles vested in Company.

PATENTED FREEHOLDS

Claim No.	Township
K.K. 20808	Paska
K.K. 20809	Paska
K.K. 20810	Paska
K.K. 21392	Paska
K.K. 21393	Paska
K.K. 21394	Paska
K.K. 22494	Paska
K.K. 18205	Paska
K.K. 18208	Paska
K.K. 18216	Paska
K.K. 18220	Paska
K.K. 19891	Paska
K.K. 20184	Paska
K.K. 20185	Paska
K.K. 20186	Paska
K.K. 20189	Paska
K.K. 16779	Paska
K.K. 16785	Oboshkegan
K.K. 16786	Oboshkegan
K.K. 16787	Oboshkegan
K.K. 16788	Oboshkegan
K.K. 16789	Oboshkegan
K.K. 16791	Paska
K.K. 16793	Paska
K.K. 16795	Paska
K.K. 16797	Paska
K.K. 18209	Paska
K.K. 18210	Paska
K.K. 20190	Paska
K.K. 22514	Oboshkegan
K.K. 22515	Paska
K.K. 22516	Paska

The 32 claims listed above total 1,578 acres and are located in the Onaman Iron Range, and are leased to Algoma Steel Corporation as outlined in Item 40.

PATENTED LEASEHOLDS

Mining Lease No.	Claim No.	Term	Township	Lease Registration No.
14791	K.K. 14765	10 yrs.	Kowkash	2197
14789	K.K. 14767	10 yrs.	Paska	2198
14790	K.K. 14760	10 yrs.	Kowkash	2196
14792	K.K. 14768	10 yrs.	Kowkash	2199
14793	K.K. 14769	10 yrs.	Kowkash	2200
14777	K.K. 14772	10 yrs.	Kowkash	2201
14778	K.K. 14773	10 yrs.	Kowkash	2202
14770	K.K. 14774	10 yrs.	Paska	2203
14771	K.K. 14775	10 yrs.	Pt. Oboshkegan	2204
			Pt. Paska	
14779	K.K. 14776	10 yrs.	Pt. Gzowski	2205
			Pt. Kowkash	
14786	K.K. 14777	10 yrs.	Pt. Gzowski	2206
			Pt. Kowkash	
14774	K.K. 14778	10 yrs.	Pt. Gzowski	2207
			Pt. Kowkash	
14775	K.K. 14779	10 yrs.	Gzowski	2208
14780	K.K. 14780	10 yrs.	Gzowski	2209
14781	K.K. 14781	10 yrs.	Gzowski	2210
14782	K.K. 14784	10 yrs.	Gzowski	2211
14783	K.K. 14785	10 yrs.	Gzowski	2212
14776	K.K. 14786	10 yrs.	Gzowski	2213
14784	K.K. 14789	10 yrs.	Gzowski	2214
14787	K.K. 14792	10 yrs.	Gzowski	2215
14772	K.K. 14795	10 yrs.	Oboshkegan	2216
14785	K.K. 14796	10 yrs.	Gzowski	2217
14773	K.K. 15003	10 yrs.	Oboshkegan	2218
14788	K.K. 15004	10 yrs.	Gzowski	2219
14802	K.K. 20029	10 yrs.	Paska	2259
14798	K.K. 22518	10 yrs.	Paska	2260
14799	K.K. 22519	10 yrs.	Paska	2261
14800	K.K. 22520	10 yrs.	Paska	2262
14890	K.K. 18217	10 yrs.	Paska	2268
14891	K.K. 18218	10 yrs.	Paska	2269
14875	K.K. 18219	10 yrs.	Paska	2270
14833	K.K. 17147	10 yrs.	Paska	2286
14893	K.K. 18206	10 yrs.	Paska	2295
14895	K.K. 18215	10 yrs.	Paska	2296
14814	K.K. 18300	10 yrs.	Paska	2299
14815	K.K. 18301	10 yrs.	Paska	2300
14829	K.K. 18900	10 yrs.	Paska	2301
14816	K.K. 18901	10 yrs.	Paska	2302
14830	K.K. 18903	10 yrs.	Paska	2304
14831	K.K. 18904	10 yrs.	Paska	2305
14818	K.K. 18905	10 yrs.	Paska	2306
14819	K.K. 18906	10 yrs.	Paska	2307
14832	K.K. 20027	10 yrs.	Paska	2308
14896	K.K. 20187	10 yrs.	Paska	2309

27. (a) — Continued

PATENTED LEASEHOLDS—Continued				
Mining Lease No.	Claim No.	Term	Township	Lease Registration No.
14892	K.K. 22517	10 yrs.	Paska	2311
14836	K.K. 17158	10 yrs.	Paska	2315
14845	K.K. 18691	10 yrs.	Paska	2320
14847	K.K. 18695	10 yrs.	Paska	2321
14848	K.K. 18696	10 yrs.	Paska	2322
14853	K.K. 18702	10 yrs.	Paska	2323
14820	K.K. 18907	10 yrs.	Paska	2324
14835	K.K. 17152	10 yrs.	Paska	2327
14834	K.K. 17153	10 yrs.	Paska	2328
14894	K.K. 18207	10 yrs.	Paska	2329
14843	K.K. 18688	10 yrs.	Paska	2330
14850	K.K. 18698	10 yrs.	Paska	2334
14837	K.K. 17159	10 yrs.	Paska	2350
14908	K.K. 18211	10 yrs.	Paska	2354
14904	K.K. 18212	10 yrs.	Paska	2355
14946	K.K. 18692	10 yrs.	Paska	2359
14949	K.K. 18697	10 yrs.	Paska	2360
14951	K.K. 18699	10 yrs.	Paska	2361
14817	K.K. 18902	10 yrs.	Paska	2303
14852	K.K. 18700	10 yrs.	Paska	2362
14855	K.K. 18703	10 yrs.	Paska	2363
14900	K.K. 20188	10 yrs.	Paska	2364
14854	K.K. 20926	10 yrs.	Paska	2365
14899	K.K. 22521	10 yrs.	Paska	2366
14911	K.K. 16774	10 yrs.	Oboshkegan	2367
14912	K.K. 16775	10 yrs.	Oboshkegan	2368
14913	K.K. 16776	10 yrs.	Oboshkegan	2369
14914	K.K. 16777	10 yrs.	Oboshkegan	2370
14915	K.K. 16780	10 yrs.	Oboshkegan	2371
14916	K.K. 16781	10 yrs.	Oboshkegan	2372
14917	K.K. 16782	10 yrs.	Oboshkegan	2373
14918	K.K. 16783	10 yrs.	Oboshkegan	2374
14909	K.K. 18213	10 yrs.	Paska	2375
14910	K.K. 18214	10 yrs.	Paska	2376
14920	K.K. 16778	10 yrs.	Paska	2377
14919	K.K. 16784	10 yrs.	Oboshkegan	2378
14921	K.K. 16790	10 yrs.	Pt. Oboshkegan	2379
			Pt. Paska	
14922	K.K. 16792	10 yrs.	Paska	2380
14923	K.K. 16794	10 yrs.	Paska	2381
14924	K.K. 16796	10 yrs.	Paska	2382
100261	K.K. 22522	21 yrs.	Paska	2247
100257	K.K. 22523	21 yrs.	Paska	2248
100258	K.K. 22524	21 yrs.	Paska	2249
100259	K.K. 22525	21 yrs.	Paska	2250
100260	K.K. 22526	21 yrs.	Paska	2251
100262	K.K. 22527	21 yrs.	Paska	2252
100263	K.K. 22528	21 yrs.	Paska	2253
100264	K.K. 22529	21 yrs.	Paska	2254
14794	K.K. 20019	10 yrs.	Paska	2255
14795	K.K. 20020	10 yrs.	Paska	2256
14796	K.K. 20022	10 yrs.	Paska	2257
14797	K.K. 20024	10 yrs.	Paska	2258
14876	K.K. 18186	10 yrs.	Paska	2263
14789	K.K. 18196	10 yrs.	Paska	2264
14877	K.K. 18202	10 yrs.	Paska	2265
14873	K.K. 18203	10 yrs.	Paska	2266
14874	K.K. 18204	10 yrs.	Paska	2267
14886	K.K. 20324	10 yrs.	Paska	2271
14887	K.K. 20330	10 yrs.	Paska	2272
14889	K.K. 20331	10 yrs.	Paska	2273
14879	K.K. 22564	10 yrs.	Paska	2274
14880	K.K. 22565	10 yrs.	Paska	2275
14881	K.K. 22566	10 yrs.	Paska	2276
14882	K.K. 22567	10 yrs.	Paska	2277
14883	K.K. 22568	10 yrs.	Paska	2278
14884	K.K. 22569	10 yrs.	Paska	2279
14885	K.K. 22570	10 yrs.	Paska	2280
14821	K.K. 17099	10 yrs.	Paska	2281
14897	K.K. 17100	10 yrs.	Paska	2282
14822	K.K. 17103	10 yrs.	Paska	2283
14823	K.K. 17106	10 yrs.	Paska	2284
14826	K.K. 17107	10 yrs.	Paska	2285
14803	K.K. 18175	10 yrs.	Paska	2287
14804	K.K. 18176	10 yrs.	Paska	2288
14827	K.K. 18181	10 yrs.	Paska	2290
14828	K.K. 18182	10 yrs.	Paska	2291
14807	K.K. 18184	10 yrs.	Paska	2292
14824	K.K. 18298	10 yrs.	Paska	2297
14825	K.K. 18299	10 yrs.	Paska	2298
14888	K.K. 20333	10 yrs.	Pt. Danford	2310
			Pt. Paska	
14898	K.K. 17102	10 yrs.	Paska	2312
14838	K.K. 17111	10 yrs.	Paska	2313
14839	K.K. 17118	10 yrs.	Paska	2314
14844	K.K. 18689	10 yrs.	Paska	2319
14842	K.K. 17117	10 yrs.	Paska	2325
14840	K.K. 17119	10 yrs.	Paska	2326
14868	K.K. 17101	10 yrs.	Paska	2331
14869	K.K. 18178	10 yrs.	Paska	2332
14870	K.K. 18179	10 yrs.	Paska	2333
14866	K.K. 20005	10 yrs.	Paska	2335
14867	K.K. 20006	10 yrs.	Paska	2336
14856	K.K. 20007	10 yrs.	Paska	2337
14857	K.K. 20008	10 yrs.	Paska	2338
14858	K.K. 20009	10 yrs.	Paska	2339
14859	K.K. 20011	10 yrs.	Paska	2340

27. (a) — Continued

PATENTED LEASEHOLDS—Continued

Mining Lease No.	Claim No.	Term	Township	Lease Registration No.
14860	K.K. 20014	10 yrs.	Paska	2341
14861	K.K. 20015	10 yrs.	Paska	2342
14862	K.K. 20017	10 yrs.	Paska	2343
14863	K.K. 20018	10 yrs.	Paska	2344
14864	K.K. 20023	10 yrs.	Paska	2345
14865	K.K. 20025	10 yrs.	Paska	2346
14901	K.K. 17109	10 yrs.	Paska	2347
14902	K.K. 17110	10 yrs.	Paska	2348
14871	K.K. 18180	10 yrs.	Paska	2351
14872	K.K. 18185	10 yrs.	Paska	2352
14903	K.K. 18189	10 yrs.	Paska	2353
14905	K.K. 18295	10 yrs.	Paska	2356
14906	K.K. 18296	10 yrs.	Paska	2357
14907	K.K. 18297	10 yrs.	Paska	2358
14801	K.K. 18195	10 yrs.	Paska	2293
14841	K.K. 17121	10 yrs.	Paska	2349
14806	K.K. 18201	10 yrs.	Paska	2294
14805	K.K. 18177	10 yrs.	Paska	2289

The 157 claims listed above total 7,128 acres and are located in the Onaman Iron Range, and are leased to Algoma Steel Corporation as outlined in Item 40.

(b) Properties leased.

(b) Nil

(c) Properties otherwise held.

Give particulars of title held by the Company in each instance (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)

(c) The following properties in the Home Lake and Thunder Bay District are held under Company's Miner's Licence Number A 38416 and recorded in Port Arthur Mining Division:

TB 123567	TB 123573	TB 123579
TB 123568	TB 123574	TB 123580
TB 123569	TB 123575	TB 123581
TB 123570	TB 123576	TB 123582
TB 123571	TB 123577	TB 123583
TB 123572	TB 123578	TB 123584

28. Full particulars of any royalties or other charges payable upon production from each individual property.

See Item 40

29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.

Not applicable

30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.

Not applicable

31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so explain fully.

Nil

32. Describe plant and equipment on property or properties.

None

33. Describe all development accomplished and planned.

MAIN KOWASH GROUP

The property was mapped geologically and by magnetometer survey. Then extensive diamond drilling on iron formation was done by the Company from 1958 to 1961. During 1960 a 3,000 ton bulk sample was taken from the principal part that had been explored (Jeffries Lake Zone). Metallurgical testing on this material was done at the Mines Branch in Ottawa during 1961.

During late 1964 and early 1965, Algoma Steel made additional magnetometer surveys and considerable diamond drilling on the iron formation to prove up ore bodies for open-pit mining. They also made bulk metallurgical testing at Lakefield Research on material from the bulk sample that was taken in 1960.

Subsequent to this work and evaluation, Algoma exercised its option to lease this Can-Fer Property in the Kowkash area.

HOME LAKE AND THUNDER BAY DISTRICT

Picket lines have been cut on this property, on which copper was found during the summer of 1965. Magnetometer and induced polarization surveys have begun. Diamond drilling is planned if results of the geophysical surveys warrant it.

34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.

Report of M. D. Isbister, P. Eng., dated May 11, 1961, and report of W. C. Ringsleben, Consulting Mining Geologist, dated October 21, 1963, and report of R. C. McMurchy, Geologist, dated January 31, 1966.

35. Full particulars of production to date.

Nil

36. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.

No dividends have been paid to date, but the Board of Directors declared on December 20, 1965, an initial dividend of 3¢ per share payable on March 11, 1966, to registered shareholders of record on February 16, 1966.

37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.

Kilmer, Rumball, Gordon, Davis & Smith,
Suite 100, 12 Richmond St. East,
Toronto 1, Ontario.

38. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars.

No

(b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so give particulars.

No

(c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? If so, give particulars.

No

39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.

Name	Principal Business	Length of time	Position Held	Name of Employing Company or Firm
Leonard Woods Bughman	Sales Executive	5 yrs.	President	Bughman Sales Company
Cecil Albert Burns	Consulting Geologist	5 yrs.	Partner	Ringsleben & Burns
Willard Meredith Gordon	Barrister & Solicitor	5 yrs.	Partner	Kilmer Rumball, Gordon, Davis & Smith
Robert John Isaacs	Consulting Engineer	5 yrs.	Vice-President	First Maritimes Mining Corporation Limited
John Lelsenring Kemmerer, Jr.	Corporation Executive	5 yrs.	President	Whitney & Kemmerer Incorporated
Paul Porzelt	Stock Broker	5 yrs.	Partner	Emanuel Deetjen & Company
Malcolm Dumaresq Richardson	Insurance Executive	5 yrs.	President	Richardson, de Pencier Limited

40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing.

Except for management contracts, do not include particulars of any contract entered into in the ordinary course of business carried on or intended to be carried on by the Company.

- (1) On July 31, 1965, The Algoma Steel Corporation, Limited leased all the properties of the Company for a period of 99 years, except 18 claims in the Home Lake and Thunder Bay District held under Company's Miner's Licence Number A 38416. The royalty agreement in this lease is on the following terms:

- (a) Until the first commercial shipment of iron ore pellets, Algoma is to pay Can-Fer an advance royalty of \$200,000 per year, payable one month after the end of year, for a period of twenty years, except that no such royalty shall be payable for a period of four years starting from commencement of actual plant construction.
- (b) Beginning with the first commercial shipment of pellets mined from your lands, Algoma is to pay Can-Fer the following royalties on ore mined by open cut mining operations: 40¢ per gross ton shipped during the first year; 50¢ during the second year; 60¢ during the third year; and 65¢ per gross ton of such pellets shipped thereafter.

On iron ore pellets produced by iron ore mined by underground mining, the royalty will be 30¢ per gross ton of pellets shipped. The definition of underground ore is protected by a "prudent and economical mining" formula.

The above royalty rates are based on iron ore pellets containing 66 units of iron or less per gross ton. They would be increased in direct proportion to increases or decreases in the published price per unit iron natural content of Lake Superior pellets at lower lake ports.

During the period of 20 years commencing with the date of the first commercial shipment, the above royalties will be subject to a minimum of \$350,000. per annum. This minimum payment would be reduced if rated steel ingot production in Canada falls below 75% of rated capacity and the excess of such minimum payment over calculated tonnage royalties will be considered as prepayments.

- (2) Under Agreement dated May 11, 1965, the Company employed C. A. Burns, Consulting Geologist, as General Manager - Exploration and Development, for a term of three years and an honorarium of \$500.00 a month and \$75.00 for office facilities, with a provision for increase to \$175.00 a month with retainer as geologist for three years to May 11, 1968, or until the later expiry of any renewal of the agreement, at at \$100.00 per day when doing exploration work and higher rate for feasibility studies.

41. Any other material facts not disclosed in the foregoing.

It is the intention of the directors of the Company to carry on active exploration work.

42. STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL as of January 28, 1966

FREE STOCK	Shares	Shares
(a) Distributed and in the hands of the public (exclusive of the parent company, promoters, officers and directors of the Company and their agents or trustees).	3,217,983	
(b) Distributed and in the hands of the parent company, promoters, officers and directors of the Company and their agents or trustees.	216,277	
Total free stock		3,434,260
ESCROWED OR POOLED STOCK		
(c) Held in escrow or pool as set out in Item 19 of this application.		Nil
Total issued capital		

RECORD OF SHAREHOLDERS

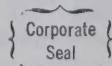
Number of registered shareholders holding shares in class (a) above	1,061
Number of registered shareholders holding shares in class (b) above	7
Number of registered shareholders holding shares in class (c) above	—

43. STATEMENT SHOWING NUMBER OF SHAREHOLDERS as of January 28, 1966

Number	Shares
26 Holders of 1 — 99 share lots	1,208
423 " " 100 — 499 " "	78,491
195 " " 500 — 999 " "	104,850
198 " " 1000 — 1999 " "	207,450
69 " " 2000 — 2999 " "	143,400
26 " " 3000 — 3999 " "	83,950
22 " " 4000 — 4999 " "	95,540
109 " " 5000 — up	2,719,371
1,068 Stockholders	Total Shares 3,434,260

Dated at Toronto, the 9th day of February, 1966.

CAN-FER MINES LIMITED



"PAUL PORZELT", Chairman of the Board.
"W. M. GORDON", Secretary-Treasurer.

FINANCIAL STATEMENTS

CAN-FER MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET

December 31, 1965

ASSETS

CURRENT ASSETS:

Cash	\$ 23,824.01	
Deposit receipts — Canadian Imperial Bank of Commerce	1,325,000.00	
Accounts receivable	1,050.28	
Accrued royalty receivable	83,333.33	\$1,433,207.62

MINING CLAIMS (note 1):

Patented mining claims and mining claims held under lease in the Kowkash and Port Arthur mining divisions, Ontario, at cost	203,255.37
--	------------

EXPENDITURES DEFERRED:

Exploration and administrative expenditures less amounts written off	1,029,409.62
	<u>\$2,665,872.61</u>

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accrued liabilities	\$ 15,755.69	
Dividend payable March 11, 1966	103,027.80	\$ 118,783.49

SHAREHOLDERS' EQUITY:

Capital stock (note 2):		
Authorized — 6,000,000 shares of \$1 each		
Issued — 3,434,260 shares	\$3,434,260.00	
Less discount	2,000,732.00	1,433,528.00
Retained earnings	1,113,561.12	2,547,089.12
		<u>\$2,665,872.61</u>

Approved on behalf of the Board:

"PAUL PORZELT", Director.

"W. M. GORDON", Director.

CAN-FER MINES LIMITED

STATEMENT OF INCOME

For the period August 1, 1965 to December 31, 1965
(Revenue under lease commenced August 1, 1965)

REVENUE:

Royalties from lease of mining claims	\$ 83,333.33	
Interest	<u>26,879.82</u>	\$ 110,213.15

EXPENSES:

Exploration:

Assays and core boxes	\$ 30.00	
Bulk sampling	587.50	
Engineering and consulting fees and expenses	3,541.80	
Maps and blueprints	140.80	
General camp expense	312.66	
Mining licenses	100.00	
Claim staking and surveys	675.00	
Travelling and transportation	1,323.63	
Geology fees	2,000.00	
Helicopter rental	<u>400.00</u>	9,111.39

Administrative:

Directors' fees	800.00	
Executive salaries	2,500.00	
Legal and audit	1,640.02	
Telephone	330.21	
Transfer agent	385.04	
Travelling	785.80	
Publicity and shareholders' information	1,297.80	
Directors' expenses	233.94	
Office rental	650.00	
Salaries	1,625.00	
Office expense and stationery	58.88	
General expense	<u>80.28</u>	10,386.97

19,498.36

90,714.79

Deduct portion of deferred exploration and administrative expenditures written off

90,714.79

Net income for period

Nil

CAN-FER MINES LIMITED

STATEMENT OF RETAINED EARNINGS

For the period July 1, 1963 to December 31, 1965

Received under option agreement (note 1)		\$1,340,000.00
Deduct:		
Deficit at July 1, 1963	\$ 28,565.96	
Items written off:		
Incorporation and stock registration	28,845.12	
Commission on capital stock	66,000.00	
Dividend of 3¢ per share payable March 11, 1966	<u>103,027.80</u>	226,438.88
Balance at December 31, 1965		<u>\$1,113,561.12</u>

CAN-FER MINES LIMITED
STATEMENT OF EXPLORATION AND ADMINISTRATIVE EXPENDITURES DEFERRED
For the period from July 1, 1963 to December 31, 1965

Expenditures July 1, 1963 to July 31, 1965:

Exploration:

Assays and core boxes	\$ 29.00	
Bulk sampling	2,118.00	
Bunk house and cookery	77.40	
Engineering and consulting fees and expenses	19,402.49	
General camp expenses	186.91	
Maps and blueprints	64.92	
Mining licenses, claim transfers and abstracts	2,863.36	
Cost of patent applications and lease rentals	20,496.98	
Travelling and transportation	42.48	
Mine buildings and equipment written off	21,408.68	
Workmen's compensation and unemployment insurance	586.46	\$ 67,276.68

Administrative:

Directors' fees	500.00	
Executive salaries	17,799.32	
Legal and audit	21,476.20	
Telephone	3,693.47	
Transfer agent	721.87	
Travelling	6,173.16	
Publicity and shareholders' information	5,043.88	
Director's expenses	1,792.51	
Office rental	7,085.00	
Salaries	10,476.00	
Office expense and stationery	136.37	
Office equipment written off	802.00	
General expenses	691.97	
Interest, bank charges and foreign exchange	1,451.63	77,843.38

Expenditures July 1, 1963 to July 31, 1965	145,120.06
Balance deferred at July 1, 1963	975,004.35
Balance deferred at July 31, 1965	1,120,124.41
Deduct portion written off on statement of income	90,714.79
Balance deferred at December 31, 1965	<u>\$1,029,409.62</u>

CAN-FER MINES LIMITED
NOTES TO FINANCIAL STATEMENTS
December 31, 1965

- Under the terms of an agreement dated March 25, 1965 the company granted an option to Algoma Steel Corporation, Limited to lease the company's mining claims. The sum of \$1,340,000 has been received by the company upon the exercising of this option and a long term lease, to be computed from August 1, 1965 has been entered into under terms as summarized below:
 - an annual royalty of \$200,000 for a period of 20 years or until the date of the first shipment of iron ore pellets except for a period of 4 years starting from commencement of actual plant construction. These annual payments are to be applied against royalties as calculated in (b) below.
 - commencing with the first shipments of iron ore pellets royalty will be payable on a per ton basis of pellets shipped with a minimum annual royalty of \$350,000.
- During the period from July 1, 1963 to December 31, 1965, 470,666 shares of the company's capital stock were issued as follows:

Shares	Consideration
380,000 for cash consideration of	\$147,000
36,000 in satisfaction for cash advances of \$9,000 by another company	9,000
16,666 in settlement of notes payable	5,000
38,000 in settlement of directors' advances	12,300
<u>470,666</u>	<u>\$173,300</u>

Summary of shares issued:

	Shares	Par Value	Discount less Premium	Net
July 1, 1963	2,963,594	\$2,963,594	\$1,703,366	\$1,260,228
Issued July 1, 1963 to December 31, 1965 (see above)	470,666	470,666	297,366	173,300
<u>December 31, 1965</u>	<u>3,434,260</u>	<u>\$3,434,260</u>	<u>\$2,000,732</u>	<u>\$1,433,528</u>

Under an employment agreement now in the course of preparation, the company is granting an option to an officer of the company to purchase 50,000 shares of its capital stock at \$1.25 per share exercisable up to May 11, 1968.

ENGINEER'S REPORT

HOME LAKE CLAIMS of CAN-FER MINES Port Arthur Mining Division, Ontario

INTRODUCTION

This report concerns a group of 18 mining claims staked on behalf of, and recorded in the name of, Can-Fer Mines Limited. The recording was on December 6, 1965.

The claims were staked as a base metal prospect following publication of a report (P.R. 1965-3) by the Ontario Department of Mines in November 1965. The report mentioned a copper occurrence at Home Lake which assayed 1.24% copper and a trace of nickel from a chip sample taken across a 5-foot wide mineralized zone. The claims were staked so as to have the showing centrally located and well protected on strike.

The staking was done by W. H. Meakin of Port Arthur. The claims were tagged at the time of staking and are numbered T.B. 123567 to T.B. 123584 inclusive.

This report has been written at the request of Mr. C. A. Burns, president of Can-Fer Mines.

LOCATION

The claims are in the Powell Lake Area of the Port Arthur Mining Division of Ontario. They straddle the southwest part of Home Lake which in a direct line is approximately 75 miles west of Port Arthur and Fort William, 1 to 2 miles east of Quetico Provincial Park and 11 miles north of the Canada-United States border.

Related to mining areas this is some 44 miles southeast of Steep Rock Iron Mines, 21 to 42 miles southwest of the Shebandowan Lakes and 21 miles southwest of North Coldstream Mines near Kashabowie, Ontario.

The most practical way of reaching Home Lake at the present time is by small aircraft from Fort William. Good roads give access to North Coldstream 21 miles northeast and to Northern Light Lake 18 miles southeast. A secondary road from the former extends another 8 miles southwest, that is to within 13 miles of Home Lake. It is possible that as a result of mining activity northeast of Home Lake tractor roads may soon shorten this distance.

There are many water routes through the area and in summer Home Lake can be reached by canoe.

GENERAL GEOLOGY

Data on the area surrounding Home Lake has been obtained from:

Ontario Department of Mines Map 2065, Atikokan-Lakehead Sheet.

Ontario Department of Mines Report, P.R. 1965-3, Summary of Field Work, 1965.

Geological Survey of Canada Map 432A, Quetico Sheet East ½.

Geological Survey of Canada Aero-magnetic Map 1111G.

Miscellaneous reports and maps.

The area was covered in a survey made last summer by F. R. Harris of the Ontario Department of Mines staff. A map is to be published at a later date.

With the exception of unconsolidated Recent and Pleistocene deposits the rocks are all of Precambrian age and in the Archean era.

O.D.M. map 2065 shows Home Lake to be in the centre of a band of undifferentiated metavolcanics with some metasediments. The band is about 2 miles wide and trends in a northeasterly direction towards North Coldstream Mines and Upper Shebandowan Lake. It is bounded on the southeast by the Knife Lake fault and granite; on the northwest by a fault and either granite or acid metavolcanics.

P.R. 1965-3 lists the rocks in this band as; rhyolite, metadiabase, basalt porphyry and small bodies of peridotite in order of abundance.

The magnetic anomaly shown on Aero-magnetic Map 1111G near the south shore of Home Lake is believed due to a mass of peridotite.

ECONOMIC GEOLOGY

Many mineral occurrences are shown on Map 2065. In the vicinity of Shebandowan Lakes they include: gold, silver, platinum, cobalt, molybdenum, copper, nickel and iron. Exploration on a copper-nickel deposit is now being carried out on a property near Lower Shebandowan Lake by Inco and other large mining companies are known to be active in the general area.

Copper is presently being produced at the property of North Coldstream Mines.

Southwest of this mine towards Home Lake occurrences of gold and copper are shown on Map 2065. One copper prospect about one-half mile from the Can-Fer claims has been drilled by The Consolidated Mining & Smelting Company of Canada and by the Mining Corporation of Canada (1964). Another copper occurrence is known about one-half mile further northeast.

A copper showing described in P.R. 1965-3 led to the staking of the Can-Fer claims. It is described as follows:

"Along the north shore of Home Lake, in the northwestern metavolcanic belt, pyrite, pyrrhotite and chalcopyrite are disseminated in rhyolite close to the metadiabase-rhyolite contact.

"The best showing of copper mineralization found by the writer, is on the north shore of Home Lake, 7,500 feet due east of the Thunder Bay District-Rainy River District boundary line. A five-foot wide mineralized zone in the rhyolite contains chalcopyrite, pyrrhotite and pyrite. A chip sample taken by the writer across the zone contained 1.24 percent copper and a trace of nickel".

The trend of the rocks and their schistosity is roughly northeast and the dip steep to vertical.

The showing on the shore of Home Lake being on a small point of land its extension, if any, may be mainly under the water of the lake.

SUMMARY AND RECOMMENDATIONS

The favourable general geology, the showing on the Can-Fer claims, known other occurrences of metals and the presence of one producing mine nearby warrant a program of exploration on these claims in the opinion of the writer.

The showing on Home Lake can be considered chiefly as a copper prospect with possibilities of nickel and precious metals being present as well as copper.

It is recommended that a geophysical survey be made as soon as possible since about 25% of the work will have to be done from the ice on Home Lake.

Surveying must be preceded by line cutting and it is suggested that a base line be cut at 55 degrees and picket lines at right angles to the base at 400-foot intervals.

It is recommended that magnetometer and induced polarization surveys be made. The latter has been recommended by the geophysicist consulted and is deemed most likely to be successful under the conditions existing here.

A geological survey and diamond drilling will depend on the results of the foregoing and can be considered as a possible second phase of exploration.

Estimated cost for lines and surveying are:

Base line and picket lines (about 13 miles)	\$ 1,300.00
Magnetometer and I.P. Surveys	7,500.00
Allowance for supervision, detailing & contingencies	1,200.00
	<hr/> \$10,000.00

Respectfully submitted,

R. C. McMURCHY, B.Sc., Ph.D., Eng.

Toronto, Ontario.

January 31, 1966.

CERTIFICATE

I, ROBERT CONNELL McMURCHY, of Toronto, Ontario hereby certify as follows:

1. That I am a practising Geologist and a member of The Corporation of Engineers of Quebec.
2. That I am a graduate of Manitoba University (B.Sc. 1930) and Minnesota University (Ph.D. 1934).
3. That I have no interest either directly or indirectly, and I do not expect to receive any interest in the property covered by this report.
4. That I have no interest either directly or indirectly, and I do not expect to receive any interest, in the securities of Can-Fer Mines Limited.
5. That this report is based on reports and maps published by government agencies, a general knowledge of the area and my experience as a geologist spanning a period of 32 years.
6. That this certificate applies to a group of 18 mining claims in the vicinity of Home Lake in the Port Arthur Mining Division of Ontario, held by Can-Fer Mines Limited.

ROBERT CONNELL McMURPHY.

Toronto, Ontario.

January 31, 1966.

THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1557.
FILED, JUNE 8th, 1967.

CAN-FER MINES LIMITED

Full corporate name of Company
Incorporated under The Corporations Act, 1953, by Letters
Patent dated August 19, 1957.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	<p>The Virginia Coal & Iron Company purchased on October 11, 1966, from the Estate of Harry Isaacs and other members of the Isaacs family a total of 395,607 shares of the Company. At approximately the same time, they purchased 50,000 shares of the Company from Mr. Leonard Bughman, a director of the Company. Between October 1966 and February 1967, The Virginia Coal & Iron Company purchased additional shares in the open market to bring their holding of shares in the Company up to a total of 600,000 shares. This shareholding represents approximately 18% of the Company's outstanding stock and is the largest single registered shareholding in the Company.</p> <p>On April 20th, 1967, the name of The Virginia Coal & Iron Company was changed to Penn Virginia Corporation.</p>																									
2. Head office address and any other office address.	Suite 1407, 100 Adelaide Street West, Toronto 1, Ontario.																									
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<table><tr><td>D. A. Berliss, Q.C., Suite 914, 111 Richmond St.W., Toronto 1, Ontario.</td><td>Partner, Edison, Aird & Berliss, Barristers & Solicitors</td></tr><tr><td>L.W. Bughman, Rd. No. 2, Idgonier, Pa., U.S.A.</td><td>President, Bughman Sales Company - metal sales</td></tr><tr><td>C.A. Burns, Suite 1405, 100 Adelaide St.W., Toronto 1, Ontario.</td><td>Geologist, Partner, Ringsleben & Burns -mining consultants</td></tr><tr><td>H. Michael Burns, 573 North Street, Rye, New York, U.S.A.</td><td>Executive Vice-Pres., Burns Bros. & Denton Inc.</td></tr><tr><td>Pemberton Hutchinson, 2500 Fidelity-Philadelphia Trust Building, Philadelphia, Pa., U.S.A.</td><td>Assistant to President (formerly executive of) Penn Virginia Corpora- tion</td></tr><tr><td>J.L. Kemmerer, Jr., 120 Broadway, New York 5, New York, U.S.A.</td><td>President, Whitney & Kemmerer Inc., - Coal Mining Interests</td></tr><tr><td>E.B. Leisenring, Jr., 2500 Fidelity-Philadelphia Trust Building, Philadelphia, Pa., U.S.A.</td><td>President, Penn Virginia Corporation</td></tr><tr><td>Paul Porzelt, 120 Broadway, New York 5, New York, U.S.A.</td><td>Partner, Emanuel, Deetjen & Co. - Stock- brokers</td></tr><tr><td>M.D. Richardson, 112 King Street West, Toronto 1, Ontario.</td><td>President, Richardson, dePencier Limited - insurance brokers</td></tr><tr><td>Chairman of the Board</td><td>- Paul Porzelt</td></tr><tr><td>President</td><td>- C.A. Burns</td></tr><tr><td>Secretary-Treasurer</td><td>- D.A. Berliss, Q.C.</td></tr></table>		D. A. Berliss, Q.C., Suite 914, 111 Richmond St.W., Toronto 1, Ontario.	Partner, Edison, Aird & Berliss, Barristers & Solicitors	L.W. Bughman, Rd. No. 2, Idgonier, Pa., U.S.A.	President, Bughman Sales Company - metal sales	C.A. Burns, Suite 1405, 100 Adelaide St.W., Toronto 1, Ontario.	Geologist, Partner, Ringsleben & Burns -mining consultants	H. Michael Burns, 573 North Street, Rye, New York, U.S.A.	Executive Vice-Pres., Burns Bros. & Denton Inc.	Pemberton Hutchinson, 2500 Fidelity-Philadelphia Trust Building, Philadelphia, Pa., U.S.A.	Assistant to President (formerly executive of) Penn Virginia Corpora- tion	J.L. Kemmerer, Jr., 120 Broadway, New York 5, New York, U.S.A.	President, Whitney & Kemmerer Inc., - Coal Mining Interests	E.B. Leisenring, Jr., 2500 Fidelity-Philadelphia Trust Building, Philadelphia, Pa., U.S.A.	President, Penn Virginia Corporation	Paul Porzelt, 120 Broadway, New York 5, New York, U.S.A.	Partner, Emanuel, Deetjen & Co. - Stock- brokers	M.D. Richardson, 112 King Street West, Toronto 1, Ontario.	President, Richardson, dePencier Limited - insurance brokers	Chairman of the Board	- Paul Porzelt	President	- C.A. Burns	Secretary-Treasurer	- D.A. Berliss, Q.C.
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Chairman of the Board	- Paul Porzelt																									
President	- C.A. Burns																									
Secretary-Treasurer	- D.A. Berliss, Q.C.																									
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 6,000,000 shares without par value Issued: 3,434,260 shares without par value																									
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	none																									
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	50,000 shares are under option at \$1.25 per share to Mr. C. A. Burns, the Company's President as an employee-Incentive Stock Option. This option may be exercised in whole or in part at any time or times on or before May 10, 1968, or until the later expiry of any renewal of the agreement.																									
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	not applicable																									
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	not applicable																									

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company's policy is to engage in a wide search for new mining situations of merit. The Company will carry out exploration programmes on a number of properties which have been staked by it.</p> <p>In addition to the foregoing, the Company will examine prospects of interest brought to its attention by prospectors and others. The Company will also give consideration to financing to production properties brought to its attention which have been developed to the point where the same can be realistically appraised.</p> <p>An overall budget of \$211,000.00 was approved for the year 1967. This figure includes administration expenses.</p> <p>The budget includes work on individual properties and other items as follows:</p> <table><tr><td colspan="3"><u>ONTARIO</u></td></tr><tr><td>Home Lake</td><td>-</td><td>\$ 3,470.00</td></tr><tr><td>Tooms Township</td><td>-</td><td>6,000.00</td></tr><tr><td>Teetzel Township</td><td>-</td><td>11,000.00</td></tr><tr><td colspan="3"><u>QUEBEC</u></td></tr><tr><td>Havre St. Pierre-Johan Beetz Prospecting</td><td></td><td>2,300.00</td></tr><tr><td colspan="3"><u>NEW BRUNSWICK</u></td></tr><tr><td>Geochemical, geological surveys</td><td>-</td><td>8,000.00</td></tr><tr><td><u>GRUBSTAKES</u></td><td>-</td><td>1,540.00</td></tr><tr><td><u>EXAMINATIONS AND OPTIONS</u></td><td>-</td><td>20,000.00</td></tr><tr><td><u>EQUIPMENT</u></td><td>-</td><td>10,000.00</td></tr><tr><td><u>STAKING</u></td><td>-</td><td>15,000.00</td></tr></table>	<u>ONTARIO</u>			Home Lake	-	\$ 3,470.00	Tooms Township	-	6,000.00	Teetzel Township	-	11,000.00	<u>QUEBEC</u>			Havre St. Pierre-Johan Beetz Prospecting		2,300.00	<u>NEW BRUNSWICK</u>			Geochemical, geological surveys	-	8,000.00	<u>GRUBSTAKES</u>	-	1,540.00	<u>EXAMINATIONS AND OPTIONS</u>	-	20,000.00	<u>EQUIPMENT</u>	-	10,000.00	<u>STAKING</u>	-	15,000.00																
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10. Brief statement of company's chief development work during past year.	<p>In the past year the Company conducted prospecting, geochemical and geophysical work on several groups of claims held by it and examined numerous other mining prospects. The Company maintained a prospecting party in the field throughout the season. No mineralization of known economic value was discovered but further work on certain of these claim groups is continuing.</p> <p style="text-align: center;"><u>RESUME OF ACTIVITIES DURING PAST YEAR</u></p> <table><tr><th>Property</th><th>Work Done</th></tr><tr><td colspan="2"><u>A. ONTARIO</u></td></tr><tr><td>1.Home Lake</td><td>Line cutting, induced polarization, electromagnetic and magnetometer surveys, geological mapping, prospecting, trenching and sampling.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td>2.Disraeli Township</td><td>geological reconnaissance and prospecting.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td>3.Teetzel Township</td><td>47 claims staked, line cutting and magnetometer survey.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td>4.General</td><td>a prospecting party was in the field during 1966 and is out again in 1967.</td></tr><tr><td colspan="2"><u>B. QUEBEC</u></td></tr><tr><td>1.Havre St. Pierre-Johan Beetz Area</td><td>30 claims staked.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td colspan="2"><u>C. NEW BRUNSWICK</u></td></tr><tr><td>1.Elmtree Brook</td><td>10 claims staked on a geochemical stream silt anomaly, line cutting and a ground geochemical survey have been completed.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td>2.Central Jacquet Area</td><td>3 claims staked on a copper geochemical stream anomaly.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td>3.Western Jacquet Area</td><td>geological reconnaissance and a geochemical stream silt survey have started on the property.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td colspan="2"><u>D. NOVA SCOTIA</u></td></tr><tr><td>1.Truro Area</td><td>30 square miles of ground taken up and geological reconnaissance done thereon.</td></tr><tr><td>Status:</td><td>the mineral licences have lapsed</td></tr><tr><td>2.Brookville, Cape Breton Island</td><td>a block of 4 square miles has been acquired.</td></tr><tr><td>Status:</td><td>good standing</td></tr><tr><td colspan="2"><u>E. GENERAL</u></td></tr><tr><td colspan="2">Numerous prospects in various degrees of development were examined during the year. A participation was taken in three prospecting grubstakes.</td></tr></table>	Property	Work Done	<u>A. ONTARIO</u>		1.Home Lake	Line cutting, induced polarization, electromagnetic and magnetometer surveys, geological mapping, prospecting, trenching and sampling.	Status:	good standing	2.Disraeli Township	geological reconnaissance and prospecting.	Status:	good standing	3.Teetzel Township	47 claims staked, line cutting and magnetometer survey.	Status:	good standing	4.General	a prospecting party was in the field during 1966 and is out again in 1967.	<u>B. QUEBEC</u>		1.Havre St. Pierre-Johan Beetz Area	30 claims staked.	Status:	good standing	<u>C. NEW BRUNSWICK</u>		1.Elmtree Brook	10 claims staked on a geochemical stream silt anomaly, line cutting and a ground geochemical survey have been completed.	Status:	good standing	2.Central Jacquet Area	3 claims staked on a copper geochemical stream anomaly.	Status:	good standing	3.Western Jacquet Area	geological reconnaissance and a geochemical stream silt survey have started on the property.	Status:	good standing	<u>D. NOVA SCOTIA</u>		1.Truro Area	30 square miles of ground taken up and geological reconnaissance done thereon.	Status:	the mineral licences have lapsed	2.Brookville, Cape Breton Island	a block of 4 square miles has been acquired.	Status:	good standing	<u>E. GENERAL</u>		Numerous prospects in various degrees of development were examined during the year. A participation was taken in three prospecting grubstakes.	
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11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	not applicable												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	not applicable												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	none												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	not applicable												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>The Company's transfer agent advises that the following are the five largest registered shareholders:</p> <table> <tr> <td>Penn Virginia Corporation (formerly The Virginia Coal & Iron Company)</td> <td>600,000 *</td> </tr> <tr> <td>2500 Fidelity-Philadelphia Trust Bldg., Philadelphia, Pa., U.S.A.</td> <td>shares</td> </tr> <tr> <td>Paul Porzelt, 120 Broadway, New York 5, New York, U.S.A.</td> <td>228,500 * shares</td> </tr> <tr> <td>Old Dominion Development Company, 120 Broadway, New York 5, New York, U.S.A.</td> <td>200,000 * shares</td> </tr> <tr> <td>Emanuel Deetjen & Co., 120 Broadway, New York 5, New York, U.S.A.</td> <td>156,246 ** shares</td> </tr> <tr> <td>Rudolph H. Deetjen, 120 Broadway, New York 5, New York, U.S.A.</td> <td>120,445 * shares</td> </tr> </table> <p>The Company is advised that Mr. Porzelt is the owner of an additional 16,711 unregistered shares bringing the total number of shares owned by him to 245,211 shares.</p> <p>* The Company believes these shares to be beneficially owned by the parties named.</p> <p>** The Company does not believe the party named to be the beneficial owner of these shares.</p>	Penn Virginia Corporation (formerly The Virginia Coal & Iron Company)	600,000 *	2500 Fidelity-Philadelphia Trust Bldg., Philadelphia, Pa., U.S.A.	shares	Paul Porzelt, 120 Broadway, New York 5, New York, U.S.A.	228,500 * shares	Old Dominion Development Company, 120 Broadway, New York 5, New York, U.S.A.	200,000 * shares	Emanuel Deetjen & Co., 120 Broadway, New York 5, New York, U.S.A.	156,246 ** shares	Rudolph H. Deetjen, 120 Broadway, New York 5, New York, U.S.A.	120,445 * shares
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16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No one shareholder acting alone can materially affect control of the Company. Acting in concert those persons and Companies referred to in item 15 hereof could materially affect control of the Company.												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table> <tr> <td>100 shares</td> <td>The Algoma Steel Corporation Limited</td> </tr> <tr> <td><u>Cost</u></td> <td><u>Present Market Value</u></td> </tr> <tr> <td>\$2,280.00</td> <td>\$2,500.00</td> </tr> </table>	100 shares	The Algoma Steel Corporation Limited	<u>Cost</u>	<u>Present Market Value</u>	\$2,280.00	\$2,500.00						
100 shares	The Algoma Steel Corporation Limited												
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\$2,280.00	\$2,500.00												
18. Brief statement of any lawsuits pending or in process against company or its properties.	none												

FINANCIAL STATEMENTS

CAN-FER MINES LIMITED

(Incorporated under the laws of Ontario)

BALANCE SHEET

April 30, 1967

A S S E T S

Current Assets

Cash	\$16,771.00
Bank Deposit Receipts	1,250,000.00
Marketable securities at cost (quoted market value \$2600.00)	2,280.00
Accounts and accrued interest receivable	3,780.51
Accrued royalty receivable	<u>149,999.97</u>

\$1,422,831.48

Fixed Assets

Equipment at cost	\$9,056.82
Less accumulated depreciation	<u>788.54</u>

8,268.28

Mining Properties and Deferred Expenditures

Mining properties at cost, leased under long-term agreement to the Algoma Steel Corporation, Limited	\$203,255.37
Exploration and administrative expenditures thereon less amounts written off	<u>872,857.95</u>

1,076,113.32

TOTAL ASSETS

\$2,507,213.08

L I A B I L I T I E S

Current Liabilities

Accounts payable and accrued liabilities	<u>\$17,998.37</u>
--	--------------------

\$17,998.37

Shareholders' Equity

Capital stock	
Authorized - 6,000,000 No Par Value	
Issued - 3,434,260 Shares	\$1,433,528.00
Retained Earnings	<u>1,055,686.71</u>

\$2,489,214.71

TOTAL LIABILITIES

\$2,507,213.08

Approved on behalf of the Board:

Director

Director

CAN-FER MINES LIMITED

STATEMENT OF RETAINED EARNINGS

for the four month period ending April 30, 1967

Retained Earnings as at January 1, 1967	\$1,113,561.12
Dividend of 3¢ per share - paid as of April 12, 1967 to shareholders of record March 15, 1967	<u>103,027.80</u>
	\$1,010,533.32
Excess of receipts over expenditures for four month period	<u>45,153.39</u>
	<u><u>\$1,055,686.71</u></u>

Approved on behalf of the Board:

Director

Director

CAN-FER MINES LIMITED

STATEMENT OF INCOME

FOR THE FOUR MONTH PERIOD ENDING APRIL 30, 1967

REVENUE

Royalties from lease of mining claims	\$66,666.64
Interest and Dividends	<u>23,009.12</u>
	<u><u>\$89,675.76</u></u>

EXPENSES

Geology and General Exploration	\$17,002.56
Claim Staking	2,026.84
Grubstaking & Prospecting	2,784.96
Geophysical Surveys	<u>3,470.71</u>
	<u>\$25,285.07</u>
Administrative:	
Directors Fees	\$1,000.00
Executive Salaries	2,000.00
Publicity & Shareholders Expense & Information	6,759.09
Directors Expense	753.50
Salaries	2,094.81
Legal & Audit	2,854.77
Stock Exchange Fees, etc.	263.45
Stationery & Supplies	159.19
Maps, Prints, Reports, etc.	232.74
Telephone & Telegraph	317.95
Travel Expenses	687.25
Office Rental	842.40
Insurance	218.27
General	<u>1,043.88</u>
	<u>\$19,237.30</u>
Total Expenses	<u><u>\$44,522.37</u></u>

Total income for the period	\$89,675.76
Less expenses	<u>44,522.37</u>
	<u><u>\$45,153.39</u></u>

Approved on behalf of the Board:

Director

Director

CAN-FER MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the four month period ending April 30, 1967

SOURCE OF FUNDS

Net income for four months	\$45,153
	<u>\$45,153</u>

APPLICATION OF FUNDS

Purchase of Fixed Assets	\$1,171
Dividend Paid	<u>103,028</u>
	104,199
Decrease in Working Capital	<u>- 59,046</u>
	<u>\$45,153</u>

WORKING CAPITAL (current assets less current liabilities)

Balance January 1, 1967	\$1,463,879
Decrease during four month period	<u>59,046</u>
	<u>\$1,404,833</u>

Approved of behalf of the Board:

Director

Director

June 5th, 1967.

The Toronto Stock Exchange,
234 Bay Street,
Toronto 1, Ontario.

Dear Sirs:

This letter will confirm that there has been no material change in the financial position of the Company during the period May 1, 1967 to June 5, 1967.

Yours very truly,

CAN-FER MINES LIMITED,

Director

Director

19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.

Under the terms of an agreement dated March 25, 1965 the company granted an option to The Algoma Steel Corporation, Limited, to lease the Company's mining properties. The sum of \$1,340,000 has been received by the Company upon the exercise of this option and the Company has leased its mining properties to The Algoma Steel Corporation, Limited under a 99 year lease computed from August 1, 1965. The agreement provides, among other terms, for the following:

A) An annual royalty or rental of \$200,000 for a period of 20 years or until the date of the first shipment of iron ore pellets from the mining properties. However, from the commencement, by the lessee, of incurring expenditures to bring the properties into commercial production, no royalty or rent shall be payable for the lessor of (1) four years or (2) the date that iron ore pellets are shipped from the mining properties. These annual payments are to be applied against royalties as calculated in (b) below.

B) Commencing with the first commercial shipment of iron ore pellets from open cut mining operations, the Company shall receive royalties based on tonnages shipped as follows:

40¢ per gross ton shipped during the first year;
50¢ per gross ton shipped during the second year;
60¢ per gross ton shipped during the third year; and
65¢ per ton thereafter.

On iron ore pellets produced and shipped from ore mined by underground mining operations the royalty is 30¢ per gross ton of such pellets.

The annual royalty on iron ore pellets shall not be less than \$350,000. This minimum payment would be reduced if steel ingot production in Canada is less than 75% of rated capacity.

C) The tonnage royalty described in B) above will increase pro rata if the percentage of iron natural content of the pellets increases above 66%, and will increase or decrease pro rata if the published Lower Lake price of iron natural content of Lake Superior pellets increases or decreases from the published price at March 25, 1965.

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.

On April 20, 1967, the shareholders of the Company authorized and the Company obtained Supplementary Letters Patent:-(i) making the Company not subject to Part IV of The Corporations Act; (ii) amending the objects of the Company by adding a general investment power; (iii) changing the 6,000,000 shares with a par value of \$1.00 each into 6,000,000 shares without par value and reducing the issued capital of the Company from \$3,434,260.00 to \$1,433,528.00 by cancelling the discount of \$2,000,732.00.

On the same date, the shareholders by a greater than two-thirds' vote approved of a resolution of the directors increasing the size of the Company's Board from 7 to 9 directors..

No shares of the Company are in the course of primary distribution to the public.

There are no other material facts.

DATED June 5th, 1967.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

CAN-FER MINES LIMITED

"C.A. Burns"

President

CORPORATE
SEAL

"D.A. Berlis"

Secretary

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

